

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1505 - SB 1552**

March 28, 2011

**SUMMARY OF BILL:** Delays enactment of the provisions of Public Chapter 1108 of the Public Acts of 2008, as amended by Public Chapter 612 of the Public Acts of 2010 (Tennessee Voter Confidence Act) until no later than the general election of 2014. Requires any voting system purchased or leased after August 1, 2013, to be a system using precinct-based optical scanners.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$350,000/One-Time/Federal HAVA Funds**

**Other Fiscal Impact – Delays up to two years the expenditure of Federal HAVA (Help America Vote Act) funds of \$27,000,000 to purchase county voting systems which provide voter-verified paper ballots of the voter's vote as required by the Tennessee Voter Confidence Act. Delays up to two years, costs of \$11,797,500 in local government expenditures, of which \$7,622,600 is one-time and \$4,174,900 is recurring every two years.**

**Assumptions:**

- Implementation of the provisions of Public Chapter 1108 of the Public Acts of 2008, as amended by Chapter 612 of the Public Acts of 2010, will be delayed until no later than the general election of 2014. However, any voting system purchased or leased after August 1, 2013, must be a precinct-based optical scanner voting system.
- According to the State Coordinator of Elections, the implementation of the optical scan voting system to replace the voting systems in 93 Tennessee counties that now use Direct Recording Electronic Voting machines (DREs) will result in a one-time increase in federal expenditures (HAVA) of approximately \$27,000,000.
- Two counties, Pickett and Hamilton, currently have optical scan machines.
- According to the Coordinator of Elections, the cost to local government to change each county from a DRE voting system to a precinct-based optical scanner voting system to conduct elections is estimated to be \$11,797,512, of which \$7,622,568 is one-time and \$4,174,944 is recurring.
- The one-time cost of \$7,622,568 is for the purchase of booths, security containers, training, storage for the ballots, and other associated costs of implementation of TVCA.

- The recurring cost of \$4,174,944 occurs every two years for printing paper ballots statewide. This cost reflects an election cycle and does not include municipal elections, special elections, or a Presidential Preference Primary.
- These estimates are based on a survey that was conducted by the Coordinator's office to ascertain the overall financial impact to local government to implement the Voter Confidence Act.
- According to the Coordinator of Elections, at least \$350,000 in one-time interest earnings will be earned and credited to the Federal HAVA Funds by delaying the implementation of Public Chapter 1108, as amended by Public 612 of the Public Acts of 2010.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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